

THE LEONARD LETTER

*A weekly electronic newsletter about
California government, business and taxes
Bill Leonard, Member
State Board of Equalization*

June 12, 2006

QUOTE OF THE WEEK

*"O beautiful for patriot dream
That sees beyond the years
Thine alabaster cities gleam
Undimmed by human tears!
America! America!
God shed His grace on thee
And crown thy good with brotherhood
From sea to shining sea!"
--- America the Beautiful
Words by Katharine Lee Bates*

AROUND THE STATE

*****Campaign "Reform" Consequences*****

Californians passed a campaign finance "reform" law in 2000. It was not really reform, but there is an uninformed opinion that candidates have too much money available. In a nod to Gray Davis, the drafters of the new limits in 2000 wrote that they would not take effect for Governor and other statewide campaigns until 2006. Thus, this is the first election to be held for these offices under the limits on contributors.

Two consequences have already occurred, which were predicted by those of us who opposed the new law. One is that all candidates for governor this year are millionaires. Actually, they are multi-millionaires, and I predict that the odds of a non-wealthy person ever successfully running for governor again are slim. The contribution limits force candidates to go to other resources, but the only other resource legally available is the candidate's own wealth so any less wealthy opponents will not be able to raise enough money to compete effectively.

The second consequence is that campaign contributors will still be actively involved, but instead of donating to candidates they will be spending their money on independent expenditure (I.E.) committees. I.E. committees are less accountable than candidates and

subject to much looser reporting requirements than candidates. In effect, the “reformers” have driven campaign money underground, making things worse for voters.

These phony reforms should be repealed and replaced with a system of instant reporting of all contributions to every candidate so voters can be fully informed and can hold the candidate accountable for the content of their campaign.

UNDER THE DOME

*****Truth in Government Names*****

From the Bill Leonard Blog 6/7/2006

I salute Assemblyman Russ Bogh for his common sense bill, AB 1423. The bill proposes to allow the use of the word “CalFire” for the California Department of Forestry and Fire. CDF or CDFF is how the Department is known today, but the average citizen has to be told what that acronym means. Bogh's goal is to give a government entity a name that best describes what it actually does. While CDF is in charge of managing the state's forests, more than 80% of the department's budget goes to fighting fires, oftentimes in areas that are not even rural.

I am encouraged that there does not seem to be any opposition to the name change. So I am optimistic that I can convince the legislature of the wisdom of doing something with the equally perplexing title “Board of Equalization.” A local newspaper in my district recently ran a piece trying to define the roles of various elected officials before the primary election. He wrote that the BOE “doesn't promote the hiring of women and minorities, and it doesn't redistribute wealth for a fairer society.” Those are things the title might make people think. I say “California's Tax Commission” is very apt and has a nice ring. Of the various department names out there today, “BOE” is without doubt the most bewildering. CalTrans is probably the best named for accuracy and ease.

ISSUE FOCUS

*****How Does Your District Rate?*****

As a legislator, I sought laws to require school districts to spend 95% percent of their budget on school campuses where children actually are on a daily basis. The idea was that such a requirement would drive more dollars to teachers and into classrooms for instruction rather than to administrators at district headquarters. I could never get the bill passed, but the discussion of the topic has lead to more research. You can now visit this site

<http://www.eiaonline.com/districts.htm>

to see enrollment figures, per-pupil spending, labor costs, and “65% solution” for every school district by state. Sixty-five percent is a lot less than I was aiming for and still the

vast majority of districts cannot meet it. Check out whether your district spends 65% of its money on instruction and then talk to your elected school board members.

*****There's More To It Than Money*****

Notwithstanding the importance of education dollars actually getting into classrooms to help teachers do their jobs of imparting knowledge, skills and character to students, money is not everything. This sentiment was captured perfectly by Santa Clara County School Board member and Stanford Hoover Institute fellow Bill Evers in a recently San Jose Mercury News article. For full text, see:

<http://www.mercurynews.com/mld/mercurynews/news/opinion/14638652.htm>

Next week, it is likely that the legislature will pass the Governor's budget that proposes to spend more than \$67 billion on California's public schools. That is a lot of money; Evers says it is \$11,300 per student. Evers also says that a new study shows that California "has the highest average teacher salary in the country when state income taxes and mandatory retirement contributions are netted out." What is noteworthy about the Governor's education spending plan this year, according to Evers, is the Governor's "focus on ensuring that we reap a bountiful harvest from what we sow in education—that taxpayers are getting their money's worth out of our schools and not just continuing to write check after check, to no avail." To accomplish this, Schwarzenegger designates money for unbureaucratic charter schools and \$2 billion for discretionary spending. I join Evers in appreciating these aspects of the budget and acknowledging that local control and cutting red tape can make great things happen for our students.

MISCELLANY

*****Next of Kin Registry*****

Californians have heard for years in earthquake preparedness information that families should have an out-of-state relative or friend to call after the quake to check on everyone's status. Several recent tragedies have reminded all of us for even more advanced means to reach our family in the event of emergencies and disasters. I have registered with the National Next of Kin Registry at

<http://nokr.org/nok/restricted/home.htm>

This registry is run by a nonprofit organization and works in concert with local and state public safety operations. The registry is not only helpful in a natural disaster, but can be helpful for an elderly person with dementia, a lost child, or accidents that occur during a vacation. I urge you to register today.

*****California County History*****

In Spanish the word “mariposa” means butterfly. The area of California that is known as Mariposa County was named by Spanish explorers in 1807 for the vast cluster of butterflies in the Sierra foothills. Some say these butterflies were really butterfly lilies.

Mariposa County, which is north of Fresno and east of Stockton, was one of California’s original counties and initially covered one-fifth of California’s land. It has the title “Mother of Counties” because portions of it were later peeled off to create Fresno, Inyo, Kern, Kings, Los Angeles, Madera, Merced, Mono, San Benito, San Bernardino, San Luis Obispo, and Tulare counties.

Mariposa sits at the southern end of the Mother Lode, but it developed differently than other counties in the gold territory because of legal complications involving John C. Fremont. Fremont purchased 44,000 acres from Juan Bautista Alvarado, the last Mexican Governor of California. After California became a state, Fremont fought to have his grant recognized under U.S. law. It was eventually restructured, but that restructuring gave him land that had already been developed by others. The subsequent legal challenges became the basis for modern western mining law.

*****A Good Read*****

This book is not exactly a good read, but it is interesting nevertheless. Otto Bettmann has written “The Good Old Days - They Were Terrible” to describe the worst of the 'Gilded Age' that from the end of the Civil War to the turn of the century. He describes, in gruesome detail, the pollution, sickness, crime, lawlessness, and man's inhumanity to men, women and children that characterized this period of history. It is overwrought and clearly one-sided, with no mention of church or charity, and little mention of reformers who were endeavoring to change the wretched conditions. But he makes a point that you have not seen New York City's pollution until you have seen 150,000 horses each producing 25 pounds of manure a day. What I liked best is the reproduction of an outstanding collection of late 19th century cartoons and pencil prints illustrating the conditions of the day.

BOE AND LEGISLATIVE DATES

June 13-14, 2006 --- BOE meets in Culver City.

June 15, 2006 --- Budget bill must be passed by the legislature by midnight.

June 27-28, 2006 --- BOE meets in Sacramento.

June 29, 2006 --- Last day for a legislative measure to qualify for the general election (Nov. 7) ballot.

July 4, 2006 --- Independence Day.

July 18-19, 2006 --- BOE meets in Sacramento.

August 7, 2006 --- Legislature reconvenes from summer recess.

August 16, 2006 --- BOE meets in San Diego.

NOTABLE DATES/ HISTORY

June 12, 1963 --- NAACP field secretary Medgar Evers was shot and killed outside his home in Jackson, Mississippi. In 1994 white supremacist Byron De La Beckwith was convicted of the crime.

June 13, 1966 --- In *Miranda v. Arizona*, the U.S. Supreme Court held that police must inform criminal suspects of their legal rights before arresting and questioning them, leading to the now famous statement read to all suspects.

June 13, 1967 --- President Lyndon Johnson nominated Solicitor General Thurgood Marshall to become the first African American Supreme Court justice.

June 14, 1777 --- The Continental Congress voted to adopt a flag with 13 stars and 13 stripes as the national emblem of the new United States of America.

June 14, 1846 --- Residents of Alta California revolted against Mexican rule and captured the Mexican garrison at Sonoma. The Mexican governor was imprisoned and independence was declared. The uprising became known as the "Bear Flag Revolt" because the settlers raised a homemade flag that featured a grizzly bear, a star and the words "California Republic." Mexico ceded the territory to the U.S. in 1848. A version of the Bear Flag became California's state flag in 1911.

June 14, 1951 --- UNIVAC, the first commercial, general-use computer, designed by John Mauchly and J. Presper Eckert, was demonstrated by the Remington Rand company.

June 15, 1215 --- King John of England signed the Magna Carta, an agreement with barons that protected individual liberties and established that the king is not above the law.

June 15, 1752 --- Benjamin Franklin and his son conducted the famous experiment dangling a key from a kite string during a thunderstorm to confirm Franklin's theory that lightning is electrical.

June 16, 1854 --- Newspaper editor Horace Greeley called on opponents of slavery to unite in the Republican Party.

June 17, 1775 --- British troops attacked Massachusetts militiamen in the Battle of Bunker Hill. The British suffered high casualties but captured the American position.

June 17, 1856 --- The Republican National Convention named John C. Fremont of California as its first Republican presidential nominee, with slogan “Free soil, free labor, free speech, and Fremont.”

June 17, 1876 --- In the Battle of Rosebud Creek, Oglala Sioux and Cheyenne forces led by Crazy Horse repel U.S. troops, eight days before joining Sitting Bull to defeat General George Custer at Little Big Horn.

June 17, 1972 --- Five men were arrested in a burglary of Democrat Party offices in the Watergate building in Washington, D.C. The cover-up of White House involvement led to President Richard Nixon's resignation in 1974.

June 17, 1994 --- Driving a white Ford Bronco, O. J. Simpson lead police on a slow freeway chase before being arrested for the murder of his ex-wife, Nicole Brown Simpson, and Ron Goldman. He was acquitted the following year.

June 18, 1812 --- The U.S. Congress declared war against Britain. (The War of 1812)

June 18, 1983 --- Sally Ride, a Californian became the first American woman in space, aboard the space shuttle *Challenger*.

GENERAL TAX INFORMATION

For answers to your general tax questions, call the Board of Equalization information center. Customer service representatives are available to help you from 8:00 a.m. to 5:00 p.m. Pacific time, Monday through Friday (except state holidays).

Toll-free number: 800-400-7115
TDD service for the hearing impaired
TDD phones: 800-735-2929
Voice phones: 800-735-2922

To reach the Taxpayer Rights Advocate's office for assistance with any BOE issues, see <http://www.boe.ca.gov/tra/tra.htm>, or call toll-free 1-888-324-2798.

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